Introduced by Senator Wolk

February 27, 2009

An act to add Chapter 4 (commencing with Section 12228) to Part 4.5 of Division 6 of the Water Code, relating to the San Francisco Bay/Sacramento-San Joaquin Delta Estuary, and declaring the urgency thereof, to take effect immediately. An act to amend Sections 12986 and 12987.5 of the Water Code, relating to water projects, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 808, as amended, Wolk. San Francisco Bay/Sacramento-San Joaquin Delta Estuary: strategic work plan. Delta levee maintenance.

Existing law establishes a delta levee maintenance program pursuant to which a local agency may request reimbursement for costs incurred in connection with the maintenance or improvement of project or nonproject levees in the Sacramento-San Joaquin Delta. Existing law declares legislative intent to reimburse eligible local agencies under this program, until July 1, 2010, in an amount not to exceed 75% of those costs that are incurred in excess of \$1,000 per mile of levee, and on and after that date, in an amount not to exceed 50% of those described costs.

This bill, instead, would declare legislative intent to reimburse up to 75% of those described costs until July 1, 2016, and on and after that date, to reimburse up to 50% of those described costs.

Existing law, until July 1, 2010, authorizes the board to provide funds to an eligible local agency under this program in the form of an advance in an amount that does not exceed 75% of the estimated state share.

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This bill would extend the operation of that authorization to July 1, 2016.

This bill would declare that it is to take effect immediately as an urgency statute.

Under existing law, various state agencies administer programs relating to water supply, water quality, and flood management in the San Francisco Bay/Sacramento-San Joaquin Delta Estuary.

This bill would require the State Water Resources Control Board to implement its resolution entitled the Strategic Workplan for Actions to Protect Beneficial Uses of the San Francisco Bay/Sacramento-San Joaquin Delta Estuary by commencing an investigation of the reasonableness of the methods of diversions from the Sacramento-San Joaquin Delta used by the State Water Project and the federal Central Valley Project, ensuring that the implementation is consistent with its duties to protect the public trust and prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of water, and taking other action. The state board would be required to prepare related quarterly reports, which the state board would be required to make available to the public and to post on the state board's Internet Web site.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ²/₃. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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The people of the State of California do enact as follows:

- 1 SECTION 1. Section 12986 of the Water Code, as amended by 2 Section 4 of Chapter 548 of the Statutes of 2006, is amended to 3 read:
 - 12986. (a) It is the intention of the Legislature to reimburse an eligible local agency pursuant to this part for costs incurred in any year for the maintenance or improvement of project or nonproject levees as follows:
 - (1) No costs incurred shall be reimbursed if the entire cost incurred per mile of project or nonproject levee is one thousand dollars (\$1,000) or less.
- 11 (2) Not more than 75 percent of any costs incurred in excess of 12 one thousand dollars (\$1,000) per mile of project or nonproject 13 levee shall be reimbursed.

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(3) (A) As part of the project plans approved by the board, the department shall require the local agency or an independent financial consultant to provide information regarding the agency's ability to pay for the cost of levee maintenance or improvement. Based on that information, the department may require the local agency or an independent financial consultant to prepare a comprehensive study on the agency's ability to pay.

- (B) The information or comprehensive study of the agency's ability to pay shall be the basis for determining the maximum allowable reimbursement eligible under this part. Nothing in this paragraph shall be interpreted to increase the maximum reimbursement allowed under paragraph (2).
- (4) Reimbursements made to the local agency in excess of the maximum allowable reimbursement shall be returned to the department.
- (5) The department may recover, retroactively, excess reimbursements paid to the local agency from any time after January 1, 1997, based on an updated study of the agency's ability to pay.
- (6) All final costs allocated or reimbursed under a plan shall be approved by the reclamation board for project and nonproject levee work.
- (7) Costs incurred pursuant to this part that are eligible for reimbursement include construction costs and associated engineering services, financial or economic analyses, environmental costs, mitigation costs, and habitat improvement costs.
- (b) Upon completion of its evaluation pursuant to Sections 139.2 and 139.4, by January 1, 2008, the department shall recommend to the Legislature and the Governor priorities for funding under this section.
- (c) This section shall become inoperative on July 1, 2016, and, as of January 1, 2011 2017, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2011 2017, deletes or extends the dates on which it becomes inoperative and is repealed.
- 37 SEC. 2. Section 12986 of the Water Code, as amended by 38 Section 5 of Chapter 548 of the Statutes of 2006, is amended to 39 read:

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12986. (a) It is the intention of the Legislature to reimburse from the General Fund an eligible local agency pursuant to this part for costs incurred in any year for the maintenance or improvement of project or nonproject levees as follows:

- (1) No costs incurred shall be reimbursed if the entire cost incurred per mile of levee is one thousand dollars (\$1,000) or less.
- (2) Fifty percent of any costs incurred in excess of one thousand dollars (\$1,000) per mile of levee shall be reimbursed.
- (3) The maximum total reimbursement from the General Fund shall not exceed two million dollars (\$2,000,000) annually.
 - (b) This section shall become operative on July 1, 2010 2016. *SEC. 3. Section 12987.5 of the Water Code is amended to read:*
- 12987.5. (a) In an agreement entered into under Section 12987, the board may provide for an advance to the applicant in an amount not to exceed 75 percent of the estimated state share. The agreement shall provide that no advance shall be made until the applicant has incurred costs averaging one thousand dollars (\$1,000) per mile of levee.
- (b) Advances made under subdivision (a) shall be subtracted from amounts to be reimbursed after the work has been performed. If the department finds that work has not been satisfactorily performed or where advances made actually exceed reimbursable costs, the local agency shall promptly remit to the state all amounts advanced in excess of reimbursable costs. If advances are sought, the board may require a bond to be posted to ensure the faithful performance of the work set forth in the agreement.
- (c) This section shall become inoperative on July 1, 2010 2016, and, as of January 1, 2011 2017, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2011 2017, deletes or extends the dates on which it becomes inoperative and is repealed.
- SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:
- In order to facilitate the performance of necessary levee maintenance as soon as possible, it is necessary that this act take effect immediately.
- SECTION 1. The Legislature finds and declares all of the following:

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(a) Pursuant to its statutory authority, the State Water Resources Control Board has issued numerous orders and decisions regarding water quality and water right requirements affecting the Sacramento-San Joaquin Delta.

- (b) Under Section 275 of the Water Code, the state board is charged with the duty to take all appropriate proceedings before executive, legislative, or judicial agencies to prevent wast, unreasonable use, unreasonable method of use, or unreasonable method of diversion of water in this state.
- (c) The Legislature has found the water problems of the Sacramento-San Joaquin Delta to be unique within the state, recognizing the special role this estuary plays in the provision of water to serve numerous purposes, and the problem of salinity intrusion into the vast network of channels and sloughs of the Delta.
- (d) In Resolution No. 20008-0056, enacted on July 16, 2008, the state board adopted its Strategic Workplan for Actions to Protect Beneficial Uses of the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (strategic workplan). The strategic workplan describes the actions that the state and the California regional water quality control boards will complete to protect beneficial uses of water in the Sacramento-San Joaquin Delta, and provides timelines and resource needs for implementing the actions.
- (e) In enacting the strategic workplan, the state board represented that it will consider later modifications as necessary to protect beneficial uses in the estuary. The strategic workplan also recognizes that the state board has a responsibility pursuant to the California Constitution and the Water Code to take action to prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of water in California.
- (f) The strategic workplan's timeline of activities anticipates the performance of its principal tasks between 2008 and 2013.
- (g) Among the concerns referenced in the strategic workplan is that the State Water Project's and federal Central Valley Project's methods of diversion in the southern Delta may not be secure and sustainable and may be having adverse impacts on fish and wildlife and other beneficial uses of water in the Delta.
- (h) Notwithstanding this concern, the strategic workplan does not require the state board to promptly investigate the reasonableness of the methods of diversion by the projects in

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accordance with the California Constitution and Section 275 of the Water Code. Instead, the strategic workplan anticipates deferring action until the fourth quarter of 2010, and taking action only if a voluntary collaboration of state, federal, and local water agencies does not deliver a plan satisfactory to the board. The strategic workplan estimates that it would take the state board a minimum of two personnel years to conduct this investigation.

- (i) Several factors make it necessary for the state board to promptly implement the strategic workplan within the identified timetable, and to commence appropriate investigations on or before July 1, 2009, and conclude the investigations within two years.
- (j) The Sacramento-San Joaquin Delta Estuary remains in a state of precarious decline, threatening its beneficial use in the protection of fish and wildlife. As a consequence of recent litigation addressing endangered species requirements, the United States Fish and Wildlife Service has released a new biological opinion of Delta smelt in late 2008, and the National Marine Fisheries Service anticipates releasing a new biological opinion for salmon and steelhead in early 2009. Due to these decisions, substantial new reductions in project water deliveries from the Delta are likely to occur.
- (k) As the Department of Water Resources has recognized in its own reports, climate change is likely to have significant and adverse effects on California's water supply projects and the Sacramento-San Joaquin Delta.
- (1) The drought conditions presently facing California are creating further strains in the ability of the Sacramento-San Joaquin Delta to serve beneficial uses.
- SEC. 2. Chapter 4 (commencing with Section 12228) is added to Part 4.5 of Division 6 of the Water Code, to read:

CHAPTER 4. STRATEGIC WORKPLAN

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12228. This part shall be known and may be cited as the Sacramento-San Joaquin Delta Protection Act of 2009.

12228.4. As part of its implementation of its Strategic Workplan for Actions to Protect Beneficial Uses of the San Francisco/Sacramento-San Joaquin Delta Estuary, the state board shall do all of the following:

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(a) Commence an investigation of the reasonableness of the methods of diversion from the Sacramento-San Joaquin Delta used by the State Water Project and the federal Central Valley Project, in accordance with its authority under Section 2 of Article X of the California Constitution and Section 275, to commence no later than July 1, 2009, and to conclude within two years.

- (b) In all other respects, implement the strategic workplan in accordance with the timetable referenced in its timeline of activities.
- (c) Ensure that its implementation of the strategic workplan is consistent with its duties to protect the public trust, and to prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of water in California.
- (d) Ensure that its implementation of the strategic workplan fully considers all of the following:
- (1) The instream flow and other biological requirements necessary to ensure the long-term health of fish and wildlife resources served by the Sacramento-San Joaquin Delta.
- (2) The anticipated effects of climate change on the water resources of the two water projects, and the condition of the Sacramento-San Joaquin Delta.
- (3) The effect of drought conditions upon the ability of the Sacramento-San Joaquin Delta to serve beneficial uses.
- 12228.8. The state board shall prepare quarterly reports which shall be available to the public and posted on its Internet Web site, describing its implementation of the strategic workplan. These reports shall disclose whether the state board anticipates any revisions in the schedules referenced in Section 12228.4, and demonstrate good cause for any further delays in the schedule.
- SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:
- In order to facilitate the implementation of the Strategie Workplan for Actions to Protect Beneficial Uses of the San Francisco/Sacramento-San Joaquin Delta Estuary by the State Water Resources Control Board, as soon as possible, it is necessary for this act to take effect immediately.